

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6483

BILL NUMBER: SB 193

NOTE PREPARED: Feb 2, 2007

BILL AMENDED: Feb 1, 2007

SUBJECT: Comprehensive Care Bed Moratorium Extension.

FIRST AUTHOR: Sen. Miller

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X GENERAL
DEDICATED
X FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill extends the moratorium on new comprehensive care beds until June 30, 2008. The bill adds exemptions from the moratorium for specified circumstances concerning replacement beds.

Effective Date: Upon passage.

Explanation of State Expenditures: (Revised) The State Department of Health reported that extending the administration of a moratorium on the licensure of new nursing facility beds or facilities would have a negligible fiscal impact. The bill also prohibits the Indiana Health Facilities Council from certifying additional new or converted, but not replacement, comprehensive care beds for participation in the Medicaid reimbursement program through June 30, 2008. The bill would exempt the construction or conversions of comprehensive care beds that are intended to replace existing licensed or certified comprehensive care beds. This bill would exempt hospitals and health facilities under development on June 30, 2006, from the moratorium. The Department would likely reject applications for new licenses and Medicaid or Medicare certifications for affected facilities until the expiration of the moratorium on June 30, 2008.

Explanation of State Revenues: Depending on the number of applications rejected, license fee revenues would not be collected for any new beds or facilities delayed due to the one-year moratorium extension. A nursing facility pays a \$200 fee for the first 50 additional beds and \$10 for each bed in excess of 50. License fee revenue is deposited in the General Fund. This bill does not affect the renewal of existing licenses.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Department of Health; Family and Social Services Administration, Office of Medicaid Policy and Planning.

Local Agencies Affected:

Information Sources: State Department of Health.

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